

# Quiz: The Dealership Ecosystem

1. What is service absorption? /1
  - When the service department takes over work from the parts department during busy periods.
  - When parts and service generate enough gross profit to cover all of the dealership's fixed operating costs.**
  - When equipment sales revenue is used to fund service department expansion.
  - When the dealership absorbs the cost of warranty repairs for customers
  
2. A customer orders filters, fluids, and seals on a regular basis. These types of parts are known as: /1
  - Components
  - Aftermarket Specials
  - Commodities**
  - Maintenance Kits
  
3. Why does the quality of parts and service directly affect equipment sales? /1
  - Because customers won't buy new machines unless they get a discount on parts.
  - Because a customer's parts and service experience determines whether they buy their next machine from your dealership.**
  - Because machines can't be sold without parts already in stock.
  - Because parts and service revenue funds the sales department's budget.